14/053/002



DEPARTMENT OF NATURAL RESOURCES IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE BOARD ORDER TO SHOW CAUSE ISSUED TO 5M CORPORATION'S SILVER REEF MINE, WASHINGTON, COUNTY, UTAH

ORDER

DOCKET NO. 90-050 CAUSE NO. M/053/002

By Formal Petition dated December 10, 1990, the Division of Oil, Gas and Mining, "Division," petitioned the Board of Oil, Gas and Mining, "Board," for an Order authorizing the Division to enter upon and perform reclamation on land known as the Silver Reef Mine, located in Washington County, Utah, and owned by 5M Corporation, Jerry Glazier, President. This matter was heard by the Board during its January 24, 1991 hearing.

Because of 5M Corporation's failure to acquire a permit or reclaim the disturbances at the Silver Reef Mine, the Division requested that the Board issue an order authorizing the Division to reclaim the Silver Reef Mine site. Funds from the forfeited (\$55,210) Kerley Industries bond would be used to reclaim the mine site. This bond had been posted for the purpose of reclamation of disturbances associated with the Silver Reef Mine Project. The following Board Members, constituting a quorum, were present and participated in the hearing and in the decision embodied herein:

Gregory P. Williams, Chairman E. Steele McIntyre Judy F. Lever James W. Carter John M. Garr Kent G. Stringham Members of the staff of the Division of Oil, Gas and Mining present at and participating in the hearing included:

Dr. Dianne R. Nielson, Director Division of Oil, Gas and Mining

D. Wayne Hedberg, Permit Supervisor Division of Oil, Gas and Mining

Thomas A. Mitchell, Assistant Attorney General of the State of Utah, also participated in the hearing on behalf of the Division of Oil, Gas and Mining.

Based upon the record and the testimony given during the January 24, 1991 hearing, the Board finds as follows:

FINDINGS

- 1. 5M Corporation has repeatedly failed to meet the time deadlines established by the Division and Board for compliance with the permitting requirements for the Silver Reef Mine site (M/053/002), Washington County, Utah.
- 2. 5M Corporation has failed to comply with the statutory requirements of Utah Code Ann. § 40-8-14 and Utah Admin. R. 613-004-113, which require an operator to file a reclamation surety with the Division prior to commencement of a large mining operation.

CONCLUSION

The Board concludes that 5M Corporation has demonstrated a knowing and willful pattern of violation of the Utah Mined Land Reclamation Act, Utah Code Ann. § 40-8-1, et seq. 1988, and the rules promulgated pursuant to statute.

ORDER

The Board finds 5M Corporation in violation of the Utah Mined Land

Reclamation Act and rules pursuant to Utah Code Ann. § 40-8-9, as set forth above.

Because of 5M's failure to meet the deadlines for compliance imposed by the Division, the Board hereby orders that 5M cease all operations on the Silver Reef Mine site.

The Board orders the Division of Oil, Gas and Mining to prepare a detailed reclamation plan for those disturbances associated with 5M's operations at the Silver Reef minesite. The plan should include, to the extent practical, provisions for remediation of any imminent public health and safety concerns which may pose a threat to the general public and local residents.

The Board hereby authorizes the Division to utilize the forfeited \$55,210 Kerley Industries reclamation surety to perform the required onsite reclamation and/or remediation activities.

The Board reserves the right to seek supplemental relief from 5M Corporation, within its statutory authority, should the \$55,210 surety not be sufficient to complete the required onsite reclamation and/or hazard remediation activities pursuant to Utah Code Ann. §§ 40-8-8, 40-8-9.

Dated this _5¹__day of April, 1991.

BOARD OF OIL, GAS AND MINING

ames W. Carter, Chairman

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing ORDER for Docket No. 90-050, Cause No. M/053/002 to be mailed by first class mail, postage prepaid, the 17th day of April, 1991 to:

Jerry Glazier, President P O Box 752 Hurricane, Utah 84737

Mr. Clifford V. Dunn, Esq. 75 South 100 East #1C St. George, Utah 84770 628-5405

DATED this 12th day of April, 1991.